(c) whether Government are also considering to introduce coal sector reforms; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO): (a) and (b) As per the existing policy of the Central Government, coal blocks are allocated for captive mining for power generation, iron and steel production and cement production. In pursuance of the above policy 38 coal blocks have been allocated/decided for allocation to various companies in the private sector and public sector for captive mining for power generation.

(c) and (d) The Central Government has introduced a Bill, namely the Coal Mines (Nationalisation) Amendment Bill, 2000, in Rajya Sabha on 24.04.2000 which seeks to allow commercial mining of coal and lignite to an Indian company and to engage in exploration of coal and lignite. An Expert Committee has been set up to draw up a road map for coal sector in the country.

Improving the quality of coal

342. SHRIMATI PREMA CARIAPPA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that bulk of coal produced through open cast mining is of very low quality;

(b) if so, the reasons therefor; and

(c) the steps taken in this regard to improve the quality of coal by Coal India Ltd.?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO): (a) and (b) The quality of extractable coal reserve in our country amenable for open cast mining is in general of lower quality containing more than 34% ash. As such the bulk of quantity of coal produced from open cast mines in the country is of inferior quality.

(c) Following steps have been undertaken by Coal India Limited to ensure supply of quality coal:—

(i) Beneficiation of the coal produced by CIL through coal washeries.

(ii) Deployment of new technology like selective mining with the use of surface Miners in various open cast mines.

(iii) Adopting Controlled blasting methods for reducing the possibility of admixture of coal with over burden materials, improving fragmentation of coal etc.

(iv) Picking of shales/stones before crushing and screening most of the coal produced by CIL in the Coal Handling Plants, thereby improving the quality.

Upward Growth in coal production

343. SHRI B.J. PANDA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Mahanadi Coalfields Ltd. has reported upward growth in Coal Production in 2004-05;

(b) if so, the details thereof;

(c) how far this compares with the previous corresponding period; and

(d) the action plan of the Coalfields to further boost its production?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO): (a)Yes, Sir.

(b) Production of Mahanadi Coalfields Limited (MCL) during 2004-05 (Provisional) was 66.08 million tonnes as compared to the production of 60.05 million tonnes during 2003-04.

(c) The increase in production of MCL during 2004-05 was about 10% more than the production during 2003-04.

(d) Coalfield-wise production target for MCL for 2005-06 and 2006-07 has been set at 72 million tonnes and 80 million tonnes respectively. Coalfield-wise action plan for the production growth is as under:

(figures in million tonnes)

Coalfield	2005-06	2006-07
lb Vally	23.10	25.60
Talcher	48.90	54.40
TOTAL:	72.00	80.00